

Free Games B.V.

Financial Statements

for the years ended December 31, 2023 and December 31, 2022

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Statement of financial position

(All amounts in EUR)

		Restated	
		31-Dec	
	Note	2023	2022
Assets			
Current assets			
Cash and cash equivalents	4	-	130,708
Prepaid expenses		24,094	16,050
Total current assets		24,094	146,758
Non-current assets			
Investment in subsidiary	5	129	129
Total current assets		129	129
Total assets		24,223	146,887
Equity and liabilities			
Current liabilities			
Accounts payable		35,292	-
Payable to shareholders	6	52,782	181,586
Payable to subsidiary	7	129	129
Total current liabilities		88,203	181,715
Equity			
Issued capital	8	91	91
Retained earnings / (Accumulated losses)		-64,071	-34,919
Total equity		-63,980	-34,828
Total liabilities and equity		24,223	146,887

See accompanying notes.

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Statement of profit or loss

(All amounts in EUR)

	Note	2023	2022
Revenue		-	-
Direct cost	9	-10,649	-8,111
Gross profit / (loss)		-10,649	-8,111
Administrative expenses	10	-18,348	-10,863
Profit / (loss) from operations		-28,997	-18,974
Finance cost	11	-155	-135
Profit / (loss) before tax		-29,152	-19,109
Profit tax expense	3	-	-
Profit / (loss) for the year		-29,152	-19,109
Other comprehensive income		-	-
Total comprehensive income / (loss) for the year		-29,152	-19,109
Attributable to the owners		-29,152	-19,109

See accompanying notes.

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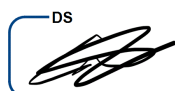
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Statement of changes in equity

(All amounts in EUR)

	Issued capital	Retained earnings / (Accumulated losses)	Total
Balance, December 31, 2021	91	-15,810	-15,719
Profit / (loss) for the year	-	-19,109	-19,109
Other comprehensive income	-	-	-
Total comprehensive income / (loss) for the year	-	-19,109	-19,109
Balance, December 31, 2022	91	-34,919	-34,828
Profit / (loss) for the year	-	-29,152	-29,152
Other comprehensive income	-	-	-
Total comprehensive income / (loss) for the year	-	-29,152	-29,152
Balance, December 31, 2023	91	-64,071	-63,980

See accompanying notes.




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Statement of cash flows

(All amounts in EUR)

	Note	2023	Restated 2022
Cash flow from operating activities			
Profit / (loss) for the year		-29,152	-19,109
(Increase) / decrease in prepaid expenses		-8,044	-14,849
Increase / (decrease) in accounts payable		35,292	-
Increase / (decrease) in accrued expenses		-	-2,700
Increase / (decrease) in payable to shareholders		-128,804	167,366
Increase / (decrease) in payable to subsidiary		-	129
Net cash generated from operating activities		-130,708	130,837
Cash flow from investing activities			
(Increase) / decrease in investment in subsidiary		-	-129
Net cash generated from investing activities		-	-129
Cash flow from financing activities			
Increase / (decrease) in issued capital		-	-
Net cash generated from financing activities		-	-
Net increase / (decrease) in cash		-130,708	130,708
Cash at the beginning of the year		130,708	-
Cash at the end of the year	4	-	130,708

See accompanying notes.

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Notes to financial statements**1. General information**

Free Games B.V. (the company) was incorporated on February 24, 2016 in Curaçao as a private limited liability company. The address of its registered office is Korporaalweg 10, Curaçao. The company was registered in the Commercial register of Curaçao Chamber of Commerce & Industry under the number 138968.

The main objectives of the company are as follows:

1. To organize, market, promote, manage, support and operate all types of remote gaming activities, comprising all types of games, betting and other operation of betting exchanges, interactive casinos, bingos, lotteries, poker and other interactive games.
2. The business of the company shall exclusively be conducted in an economic zone as expressed in the National Ordinance dated the twelfth day of February two thousand and one (P.B. 2001, number 18).

The management of the company is borne by a board of directors. As of December 31, 2023, the management of the company is borne by a single managing director:

- Executive Corporate Management B.V. Managing Director

2. Summary of material accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of presentation

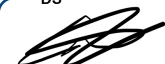
The financial statements of the company have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements have been prepared under the historical cost convention. The financial statements are presented in EUR and all values are presented in actual, unless otherwise stated.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies.

Previous year's figures have been restated to include the investment and balances with subsidiary.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

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Foreign currency transaction

The company's financial statements are presented in EUR, which is also the company's functional currency. Transactions denominated in foreign currencies are translated at the exchange rate prevailing when the transaction is realized. The exchange results rerecorded in the statement of profit or loss.

Monetary assets and liabilities denominated in foreign currencies are translated into EUR at the exchange rates prevailing at the end of the year.

Financial instruments**Financial assets****Initial recognition and measurement**

Financial assets within the scope of IFRS 9 are classified as financial assets at fair value through profit or loss, loans and receivables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The company determines the classification of its financial assets at initial recognition.

All financial assets are recognized initially at fair value plus transaction costs, except in the case of financial assets recorded at fair value through profit or loss.

The company's financial assets include cash and cash equivalents, prepaid expenses and other assets.

Financial liabilities**Initial recognition and measurement**

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value plus, in the case of loans and borrowings, directly attributable transaction costs.

The company's financial liabilities include accounts payable and other payables.

Subsequent measurement

The subsequent measurement of financial assets and liabilities depends on their classification.

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Impairment of long-lived assets

Long-lived assets, other than goodwill, are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Recoverability of assets is measured by comparison of the carrying amount of the asset to the net undiscounted future cash flows expected to be generated from the asset. If the future undiscounted cash flows are not sufficient to recover the carrying value of the assets, the assets’ carrying value is adjusted to fair value. The company regularly evaluates its long-lived asset for indicators of possible impairment. To date no impairment has been recorded.

Concentration of credit risk and certain other risk

Credit risk represents the accounting loss that would be recognized at the reporting date if Counterparties failed to perform as contracted. The company does not have significant exposure to any individual client or counterparty. Management of credit risk involves number of considerations, such as financial profile of the counterparty, specific terms and duration of the contractual agreement. There exists a risk of non-performance, however management believes that the company’s exposure to credit risk associated with non-performance of its counterparty is minimum.

New standards, amendments and interpretations issued but not effective for the financial period beginning January 01, 2023 and not early adopted

There are no other standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a significant impact on the company.

3. Profit taxes

The company is subject to a territorial tax system, wherein the income earned in Curaçao is subject to 15% taxes on income up to 500,000 ANG and 22% above it and the foreign source of income is subject to 0% of profit taxes.

4. Cash and cash equivalents

	2023	2022
Balance at bank – IGB	-	130,708
	-	130,708

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5. Investment in subsidiary

As at December 31, 2023 and 2022, the company holds 100% investment in Free Games Ltd, a company incorporated and domiciled in England and Wales.

	2023	2022
Free Games Ltd.	129	129
(100 ordinary shares of GBP 1 each)		
	129	129

The company has elected not to present consolidated financial statements. Its owners have been informed and do not object to presenting separate financial statements.

6. Payable to shareholders

Payable to shareholders represents expenses incurred by shareholders on behalf of the company net of amount due from them. The payable does not carry any interest and is repayable on demand.

7. Payable to subsidiary

The payable does not carry any interest and is repayable on demand.

8. Issued capital

The issued capital of the company as at December 31, 2023 and December 31, 2022 consists of 100 shares with nominal value of USD 1 each and subscribed for EUR 91.

No dividends were declared in 2023 and 2022.

8. Direct cost

	2023	2022
License and server fees	10,649	8,111
	10,649	8,111

9. Administrative expenses

	2023	2022
Annual compliance fees	8,150	6,800
Rent expenses	5,588	500
Annual management fees	3,750	3,213
Professional fees	660	150
Other expenses	200	200
	18,348	10,863

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10. Finance cost

	2023	2022
Bank charges	155	135
	155	135

11. Fair value

Fair value of financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to arrive at the fair value:

Cash and cash equivalents, prepaid expenses, accounts payable and other payables approximate the carrying amount largely due to the short-term maturity.

12. Contingencies, commitments and legal proceedings

The company has no contingent or future purchase liabilities and is not involved in any legal actions.

13. Subsequent events

In connection with the preparation of the financial statements, the company evaluated subsequent events after the balance sheet date of December 31, 2023. Based on their evaluation there are no subsequent events that have a significant effect on the financial statements as at December 31, 2023.

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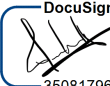
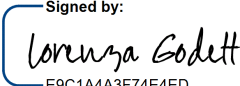

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14. Authorization for issue

These financial statements for the year ended December 31, 2023 were approved by the managing director and authorized for issue on November 29, 2024.

Board of Directors:

<u>Name</u>	<u>Function</u>	<u>Signature</u>
Xecutive Corporate Management B.V.	Managing Director	DocuSigned by:  3508179679034CB... Signed by:  E9C1A4A3F74E4ED...